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ORIGINAL**BEFORE THE ARIZONA CORPORATION COMMISSION****COMMISSIONERS**

KRISTIN K. MAYES, Chairman
 GARY PIERCE
 PAUL NEWMAN
 SANDRA D. KENNEDY
 BOB STUMP

2009 FEB 13 P 2:29

AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

FEB 13 2009

DOCKETED BY

STAFF of the Utilities Division,
 Complainant,

v.

TEL LOGIC dba QUALITY TELEPHONE,
 Respondent.

DOCKET NO. T-04172A-03-0153

PROCEDURAL ORDER**BY THE COMMISSION:**

On September 29, 2008, the Commission's Utilities Division ("Staff") of the Arizona Corporation Commission ("Commission") filed a Complaint against Tel Logic dba Quality Telephone ("Company" or "Quality"), an Arizona public service corporation, for non-compliance with the conditions set forth in Commission Decision No. 66611 (December 9, 2003) ("Complaint"). Decision No. 66611 conditionally granted Quality a Certificate of Convenience and Necessity ("CC&N") to provide competitive resold local exchange telecommunications services in Arizona and ordered Quality to obtain a performance bond in the amount of \$25,000, within 365 days from the effective date of the Decision or 30 days prior to beginning service in Arizona, whichever occurred first. The Decision further ordered that if Quality failed to meet the timeframe for compliance, the CC&N conditionally granted would become null and void without further Order of the Commission.

Between December 2004 and July 2008, Staff contacted Quality numerous times to inquire about the Company's failure to obtain and file proof of its performance bond in compliance with Decision No. 66611. Staff's Complaint alleges that Quality is conducting business in Arizona in violation of Decision No. 66611. After receiving numerous non-satisfactory responses from the Company, at Staff's request, the Commission issued Decision No. 70566 (October 23, 2008), ordering Quality to appear and show cause why Quality's actions do not constitute a violation of Decision No. 66611, why Quality has failed to procure and file proof its performance bond, why

1 sanctions should not be imposed against Quality, and why the Commission should not render
2 Decision No. 66611 null and void and cancel the conditionally granted CC&N. Decision No. 70566
3 further ordered the Hearing Division to conduct further proceedings in this matter.

4 On January 26, 2009, by Procedural Order, a Procedural Conference was set for February 12,
5 2009. Additionally, Quality was ordered to file an Answer to Staff's Complaint on or before
6 February 5, 2009. To date, Quality has not filed an Answer to Staff's Complaint.

7 On February 12, 2009, the Procedural Conference was convened as scheduled. Staff appeared
8 through counsel. Quality did not appear.

9 Pursuant to A.A.C. R14-3-101, the Commission now issues this Procedural Order to govern
10 the preparation and conduct of this proceeding.

11 IT IS THEREFORE ORDERED that the **evidentiary hearing** on the above-captioned
12 Complaint shall commence on **April 16, 2009, at 10:00 a.m.**, or as soon thereafter as is practicable,
13 at the Commission's offices, 1200 West Washington Street, Room 100, Phoenix, Arizona 85007.

14 IT IS FURTHER ORDERED that **Quality shall file its Answer** to Staff's Complaint on or
15 before March 2, 2009.

16 IT IS FURTHER ORDERED that **Quality's failure to appear at the hearing** and show
17 cause why Decision No. 68301 should not null and void, and may result in the imposition of
18 sanctions against the Company including, but not limited to, assessment of penalties and fines.

19 IT IS FURTHER ORDERED that **Staff shall file, by March 13, 2009, a Staff Report**
20 detailing how many customers Quality has in Arizona, if there have been any other complaints filed
21 against Quality in other states, the nature of Quality's business (ie., calling cards, etc.) and any other
22 pertinent information Staff deems necessary. The Staff Report shall include any associated exhibits to
23 be presented at hearing to the extent that such exhibits are available at the time the Staff Report is
24 filed.

25 IT IS FURTHER ORDERED that any **objections to the Staff Report** shall be reduced to
26 writing and filed on or before **March 31, 2009**.

27 IT IS FURTHER ORDERED that **all parties shall file a list of witnesses to appear at the**
28 **hearing on or before March 31, 2009.**

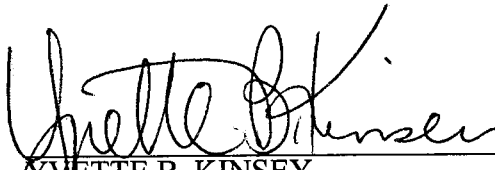
1 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules
2 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law and admission
3 *pro hac vice*.

4 IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance
5 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the
6 Rules of the Arizona Supreme Court). Representation before the Commission includes appearing at
7 all hearings, procedural conferences, Open Meetings at which the matter is scheduled for discussion,
8 unless counsel has previously been granted permission to withdraw by the Administrative Law Judge
9 or the Commission.

10 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized
11 Communications) applies to this proceeding and shall remain in effect until the Commission's
12 Decision in this matter is final and non-appealable.

13 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend,
14 or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at
15 hearing.

16 Dated this 13th day of February, 2009.

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19 
20 YVETTE B. KINSEY
ADMINISTRATIVE LAW JUDGE

21 Copies of the foregoing mailed/delivered
22 this 13th day of February, 2009 to:

23 Frank McGovern, Senior Manager
24 TEL LOGIC
25 dba QUALITY TELEPHONE
26 P.O. Box 7310
27 Dallas, Texas 75209-0310
28 **Via First Class mail and Certified Mail**
Return Receipt Requested

1 TEL LOGIC
2 dba QUALITY TELEPHONE

3 P.O. Box 7310
4 Dallas, Texas 75209-0310

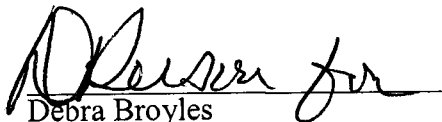
5 **Via First Class mail and Certified Mail**
6 **Return Receipt Requested**

7 Janice Alward, Chief Counsel
8 Legal Division
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11 Phoenix, AZ 85007-2927

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13 Utilities Division
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18 2200 N. Central Ave., Suite 502
19 Phoenix, AZ 85004-1481

20 By:

21 
22 Debra Broyles
23 Secretary to Yvette B. Kinsey
24
25
26
27
28